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GILMAN'S PROFIT-SHARING.

Profit-Sharing between Employer and Employee: A Study in the Evolution of the Wages System. By Nicholas Paine Gilman. Pp. 460. Houghton, Mifflin & Co. 1889.

This book, above all, is to be recommended for its freshness. Not only is it thorough and complete in its treatment, but it is essentially modern. For the past eight or ten years the experiences of the Messrs. Briggs in England, of Godin's Social Palace at Guise, and of the Maison Leclaire in Paris, have been the chief stock-in-trade of economic reformers who have advocated the system of profit-sharing.

It is gratifying, therefore, to know that henceforth additional illustration can be furnished for argument, and illustration, too, which is more varied and more native in its characteristics. Students of the wages question have been aware, for some time, that Mr. Gilman was preparing a monograph on this subject, but we doubt if any anticipated that the result would be so fruitful. The investigation has been exhaustive, and the work is not a mere re-statement of the conclusions of Bohmert or Sedley Taylor. It is a notable example of an inquiry essentially statistical in its nature, carried on by private undertaking and industry. The author has made not only an original inquiry for our own country, but he has invaded Europe itself, and gathered independently all the examples of profit-sharing which can be found either in England or on the continent. A brief introductory portion of the book is devoted to a survey of the system of product-sharing, which formerly obtained in agriculture, fisheries, and mining; and to a description of the various forms of the present wages system. There is little attempt to theorize or dogmatize. Definition and explanation are given, that the reader may the better understand the fuller treatment of profit-sharing. This appropriately begins with a detailed account of the experiment of the "father of profit-sharing," M. Leclaire, followed by chapters on the profit-sharing system on the continent; profit-sharing in transportation, distribution, and agriculture; industrial partnerships in England; the experience of America; past experience with its failures; statistical tables, and the argument for profit-sharing. Throughout the work is characterized by a tem-

perate and scientific spirit. The author is conservative in his positions. He has "no hostile feeling towards the wages system," and co-operation he regards as too revolutionary a substitute for the present method.

Apparently, Mr. Gilman would have no criticism for the present wages system if it were not for the disturbances in industry occasioned by strikes and industrial warfare. The author places himself in the position of the employer, and seeks to discover whether profit-sharing in any of its various forms is sound financially, or whether by its adoption production may or may not be increased, and the profits therefore of the entrepreneur enlarged. If stability be introduced, strikes eliminated, waste decreased, and greater diligence be developed, then profit-sharing is a sound scheme for the employer to consider. Whatever may be Mr. Gilman's views on this point, he is undoubtedly wise in making the appeal to self-interest so prominent, even perhaps to the exclusion of all other considerations. The final analysis, however, must be founded on equity as well as expediency.

From Mr. Gilman's investigations it appears that there are in existence 135 cases of profit-sharing in Europe and in the United States. These have been in successful operation for periods varying from one to forty-seven years.

From Table II the classification of cases according to the length of the trial of participation is here inserted:—

No. of Years' Trial.	No. of Instances.	No. of Years' Trial.	No. of Instances.
40	7	5	21
30	5	3	21
20	14	2	16
15	30	1	4
10	15	No date given . .	5

The reckoning is to the present year, 1889. There are thus 129 cases which are now in their second year or over.

Going more into detail, we find, in France,—

No. of Years' Trial.	No. of Instances.	No. of Years' Trial.	No. of Instances.
40	5	5	12
30	4	3	6
20	5	2	2
15	14		
10	9	In all	57

In Switzerland,—

15 years' trial or more	8 instances.
10 years' trial or more	2 instances.

In Germany,—

No. of Years' Trial.	No. of Instances.	No. of Years' Trial.	No. of Instances.
40	2	5	1
30	1	3	2
20	5		
15	6		
10	1	In all	18

In England,—

10 years' trial	1 instance.
5 years' trial, or less	7 instances.

In European countries other than those named,—

5 years' trial, or more	7 instances.
2 years' trial, or less	1 instance.

And in the United States,—

6 years' trial, or more	6 instances.
2 years' trial	24 instances.
1 year's trial	2 instances.

In some of the industries the number of participants in profits is very large, but the author takes occasion to show that "the size of the establishment has little to do with the applicability of profit-sharing," for there are instances of concerns with but ten or a dozen men. Nor does there appear to be any clear line of separation among industries, which will indicate that profit-sharing has a restricted or special sphere. Noteworthy examples are given where this system has been successfully applied to industrial workers of a low grade of intelligence. An interesting generalization is made in the statement that profit-sharing has been more successful in France and the United States, due, perhaps, to the more democratic instincts in these countries; while in Germany, the nation of theory and speculation, the home of scientific socialism, there has been but a small and slow increase in the number of these experiments. The conservatism of England has also operated against the spread of profit-sharing.

One of the most valuable features of this book is the narrative of the abandonments of profit-sharing. These are carefully described and analyzed, and this genuine and thorough analysis must be of immense

advantage to any employer who contemplates the introduction of the method. There is no attempt to conceal mistakes, just as in the narrative of the successful experiments there is no wish to exaggerate the beneficial results. There are also explained the various systems of profit-sharing finance, with a mass of information in regard to the several sorts of bonuses, pensions, annuities, etc. The book concludes with a satisfactory bibliography of the subject, and with an index which may be recommended to book makers as a model in its completeness.

DAVIS R. DEWEY.

STATE HAND-BOOKS.

Resources of Dakota. Compiled by the Commissioner of Immigration, under Authority Granted by the Territorial Legislature. Containing descriptive statements and general information relating to the soil, climate, productions; advantages and development; agricultural, manufacturing, commercial, and mineral; the geography and topography of the territory. The vacant public lands, and how to obtain them; together with diagrams, statements, tables, and summaries, showing the products and progress of the Territory, and of each county, separately. Territory of Dakota, Department of Immigration and Statistics. P. F. McClure, Commissioner, Pierre. 1887. Pp. 493.

Alabama As It Is; or, The Immigrants' and Capitalists' Guide Book to Alabama. Furnishing the most accurate and detailed information concerning the varied elements of wealth in Alabama, whether of mine, field, or forest; together with carefully-prepared maps and charts, illustrative of the numerous advantages possessed by the State. By Rev. B. F. Riley, D. D. Adopted by the State by an Act approved February 18, 1887. Second edition. 1888. Pp. 304.

First Annual Report of the Agricultural Bureau of the Department of Agriculture, Insurance, Statistics, and History. 1887-88. L. L. Foster, Commissioner. Austin, 1889. Pp. lv, 318.